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### The News-Journal Has A "Face-Lift"

After years of only white paper and black ink, this edition appears in two ink colors along with a new masthead designed by the Graphic Arts Division of the Tennessee Department of General Services. Graphic Arts is also supplying some state of the art formatting techniques that provide more visual interest to our publication. We hope that you enjoy the new look of the News-Journal.

## Commission Unanimously Re-Elects Chairman Haynes and Vice Chairman Stephenson

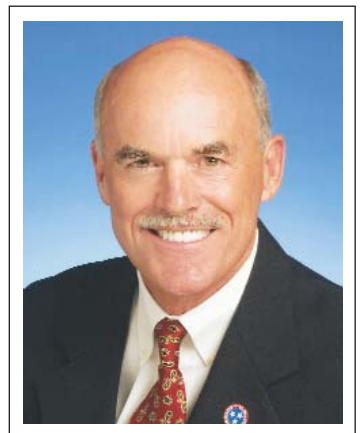


Commissioner  
Charles Haynes

At its July 2006 meeting, the Commission unanimously re-elected Commissioner Charles Haynes as Chairman and Bear Stephenson as Vice-Chairman.

Commissioner Haynes, a Real Estate Broker, also holds licenses as a Commercial Contractor and an Auctioneer. A native of Sumner County, he is a member of Forward Sumner, the Industrial Development Board and Chairman of the Sumner County Planning Commission. He also serves on the Highway Improvement Committee for Sumner County. His Real Estate Professional memberships include the Sumner County, Tennessee and National Association of REALTORS and the Middle Tennessee Auctioneer Association. Chairman Haynes regularly participates in regional and annual meetings of the Association of Real Estate License Law Officials (ARELLO), an organization comprised of official governmental agencies which issue and regulate real estate licenses and enforce real estate law. Haynes was appointed to the Commission by Governor Bredesen in 2003.

Before beginning his professional career in banking and real estate development, Stephenson graduated from Tennessee Technological University with a B.S. in Business Management and completed a tour of duty in Vietnam with the U.S. Army. He has been owner of Stephenson Realty and Auction in Clinton, TN for 25 years. Stephenson has been actively involved in his community since 1981 and currently sits as chairman of the board for both the Anderson County Industrial Bond Board



Commissioner  
Bear Stephenson

## Division of Ground Water Protection Assists Homeowners & Real Estate Practitioners Adhere to New Law



**A**n amendment to the Tennessee Consumer Protection Act which became effective July 1, 2006 makes knowingly advertising or marketing a residence as having more bedrooms than are permitted by the residence's subsurface sewage disposal system permit a violation of the Act. In order to assist home owners and real estate practitioners obtain

needed information, the Division of Ground Water Protection (GWP), with the Tennessee Department of Environment & Conservation, has developed the "Application for Information Regarding Subsurface Sewage Disposal (SSD) System Permit and Certificate of Completion" form for use across the state. The data requested on the form will allow the GWP to search their records and provide

information they have on file concerning a specific property. Applications may be obtained at any GWP office or on the GWP's Web site at [state.tn.us/environment/gwp](http://state.tn.us/environment/gwp) click on "Application For File Information". The completed application may be delivered or faxed to the local GWP office in the county where the property is located.



## Commission Approves CE Credit for Attendance at Its Meetings

The Commission, at its July 2006 meeting, voted to provide continuing education credit for attendance at its monthly meetings beginning with the September 2006 meeting. In order to obtain credit for such attendance, the following must be completed:

1. Licensees must register with the TREC Administrative office at least 10 days prior to a given meeting in order to attend and receive continuing education credit. Attendance for continuing education credit will be limited based on the amount of seating space available at the site where the meeting will be conducted.

2. Licensees must attend both days of the two day meeting (please see meeting schedule at: <http://state.tn.us/commerce/boards/trec/users/meetings.html>)
3. Licensee must sign-in at beginning of meeting each day and sign-out at end of meeting each day and must supply Tennessee Real Estate License Number/File ID.
4. A licensee must attend both days of a Commission two day meeting before the 8 hours of continuing education will be awarded.
5. Commission meeting attendance continuing education credit cannot be awarded more than one time in a licensee's two year licensing period.

If you would like to register to attend a TREC meeting and receive continuing education, please contact Kathy Riggs at 615-253-1178 or [kathy.riggs@state.tn.us](mailto:kathy.riggs@state.tn.us)

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**— DISCIPLINARY ACTIONS —**


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**JUNE 2006****LINDA K. WORKMAN****Lic. No. BR241302****Johnson City, TN**

*Ms. Workman was assessed a civil penalty of \$1,400.00 for failure to timely complete education.*

**ROSE BROWNING****Lic. No. PB214863****Jackson, TN**

*Ms. Browning was assessed a civil penalty of \$1,500.00 for failure to timely remit monies belonging to others.*

**JULY 2006****KENNETH P. MCFERREN****Lic. No. AF286738****Memphis, TN**

*Mr. McFerren was assessed a civil penalty of \$1,000.00 for failure to disclose personal interest.*

**STEPHEN MAYO****Lic. No. BR282360****Spring City, TN**

*Mr. Mayo was assessed a civil penalty of \$2,000.00 for failure to exercise reasonable skill and care.*

**JOHN W. TESTERMAN****Lic. No. PB58425****Knoxville, TN**

*Mr. Testerman was assessed a civil penalty of \$5,000.00 for an unlicensed branch office.*

**EXCEL REAL ESTATE & DEVELOPMENT CO.****Lic. No. F248075****Nashville, TN**

*The firm was assessed a civil penalty of \$1,000.00 for failure to timely remit monies belonging to others.*

## **TREC License Expiration Date Staggering Plan**

The staggered renewal plan for licenses expiring 12-31-06 was published in the last News-Journal (Spring 2006). The plan also appears on the TREC web-site at [www.state.tn.us/commerce/boards/trec](http://www.state.tn.us/commerce/boards/trec). Please review the plan so that when your renewal application is received this fall, you will understand the amount of your renewal fee and the expiration date of your next real estate license.

Please note: The Errors and Omissions Insurance purchased from the State contracted vendor will be for two (2) full years and cover all of 2007 and 2008.

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## **T E A M S**

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The Tennessee Real Estate Commission recently discussed the team concept in the real estate industry. The Commission has become very concerned with the way in which some of these teams are advertising and conducting business. The Commission is of the opinion that the advertising of some of these teams is misleading in that the clear impression of the same is that there is a separate entity from the real estate firm with which the team is affiliated. Team names that include phrases such as "and Associates" or "\_\_\_\_\_ Realty" give the impression there is a separate and independent firm. In such cases, the Commission is of the opinion the same is misleading and could subject the team members to disciplinary action pursuant to T. C. A. § 62-13-312(b)(4). Under the Tennessee Broker's Act it is the responsibility of the principal broker to supervise all licensed individuals affiliated with the firm and all advertising.

## NOTES ON LICENSE RENEWAL-FALL 2006

While not all licenses regulated by the Tennessee Real Estate Commission expire on 12-31-06, some 45,000 licenses do expire on that date. Listed below are some notes that should assist both licensees and TREC make the license renewal process run smoothly.

- Schedule of renewal process
  - Renewal applications mailed September 2006 to licensees whose licenses expire 12-31-06
  - Deadline for completion of license renewal requirements November 1, 2006
- All requirements for license renewal must be completed by November 1, 2006. All licensees must have paid the renewal fee by that deadline and those licensees required to have completed education and/or obtained Errors and Omissions Insurance coverage must have met these obligations by 11-1-06.
- Licensees can monitor the renewal process via information on the TREC web-site. When a license expiration date changes from 12-31-06 to a date in 2007 or 2008, the license has been renewed. (Go to [www.state.tn.us/commerce/boards/trec](http://www.state.tn.us/commerce/boards/trec), click "Verification of License & Education History" and key in fields to specify your license information – select Real Estate Broker/Affiliate from drop-down menu.)
- Principal Brokers can also monitor the renewal process for all licensees associated with the firm via internet. (Go to [www.state.tn.us/commerce/boards/trec](http://www.state.tn.us/commerce/boards/trec), click "Verification of License & Education History", key information into the address and zip code fields and select Real Estate Broker/Affiliate from drop-down menu. If an address is 123 North Main, it could be in the data base as North Main or N. Main – you may be successful by including only the numbers in the address and the zip code.) Successful completion of the above should provide a listing of all licensees associated with the firm.
- Licensees are encouraged to pay renewal fees using the new **on-line renewal process**. Information concerning online renewal is available at [www.state.tn.us/commerce/boards/trec](http://www.state.tn.us/commerce/boards/trec). Successful completion of on-line renewal payment of fees will provide a receipt of that payment.
- License renewal certificates for all active licensees are mailed to the firm. License renewal certificates for non-active licensees are mailed to their home address of record with TREC. Please make sure all home address changes are provided to TREC within 10 days of a home address change.
- License renewal certificates issued upon successful completion of all license renewal requirements will indicate the new license expiration date. Please observe that the date is not the same for all licensees due to the license expiration date staggering program established by TREC.



## Commission Re-Elects...cont.

and the Community Bank of East Tennessee. He was campaign chair for the United Way of Anderson County in 2005 and performed 76 benefit auctions in that same year. A typical day for Stephenson can include working at his firm, participating in a fund raising breakfast for Girl Scouts, moderating a senior citizen event at the county fair and then traveling to an ARELLO conference to meet with leaders representing other state real estate commissions.



T. C. A. §66-5-212 has been amended to require that a contract for the sale of residential real estate shall disclose the results of any known percolation test or soil absorption rate performed on the property.

T. C. A. §62-13-401 has been amended by the addition of language providing that the negotiation and execution of either an exclusive agency listing agreement or an exclusive right to sell listing agreement with a prospective seller shall establish an agency relationship with the seller.

## Process for Verifying License/Education History Enhanced

The Department of Commerce and Insurance has enhanced the system that verifies a license for all professions within its Division of Regulatory Boards. The system can be accessed from the TREC web-site at

[www.state.tn/commerce/boards/trec](http://www.state.tn/commerce/boards/trec) by clicking on "Verification of License & Education History". By entering data in some or all of the data fields information on a licensee or licensees can be viewed. That information includes:

License Number

License Status

Profession

Original Date of Licensure

Expiration Date of License

Name of Licensee

Mailing Address

Firm Name (if active license)

By clicking on the license number, the education history for active licensees can be accessed.

## TREC Modifies Phone Answering System to Provide Better Customer Service

Individuals placing phone calls to TREC will notice a change in the electronic phone answering system. Calls placed to both 615-741-2273 and 800-342-4031 will access an abbreviated answering menu. The following information is provided to assist you when contacting the TREC office by phone:

Select 1 = General Information (*address, web-site, request forms, etc.*)

Select 2 = Licensing (*leave voice mail or access operator*)

Select 6 = Education, Complaints and/or Administration

Select 0 = Operator

## **NEWS-JOURNAL**

### To Be Provided by E-Mail

The Tennessee Real Estate Commission's News-Journal is now available for e-mail delivery. You may subscribe to the service either by going to the TREC web-site at

<http://state.tn.us/commerce/boards/trec> and click on "Sign Up for Our Newsletter" or going directly to [http://state.tn.us/commerce/boards/sign\\_up.html](http://state.tn.us/commerce/boards/sign_up.html)

Subscribing is an easy process. Enter your name and email address then press the **SUBMIT** button

at the bottom of the screen. Within 24-78 hours, you will receive an e-mail asking you to reply and verify that you are subscribing. You will then be on the list for updates and newsletters! Simply unsubscribe any time by scrolling to the bottom of your e-mail and click "unsubscribe." You will receive an e-mail asking you to reply in order to verify that you have unsubscribed (it will take between 48-72 hours).

We look forward to keeping you updated.

## **Commission Seeks Ideas for News-Journal**

With the new look of the News-Journal, the Commission would like to invite readers to submit interesting and timely ideas, articles and guest commentaries concerning licensing issues and the real estate profession. We can't guarantee that everything submitted will be published due to space limitations but, we will make every effort to do so if appropriate. Please send your ideas and commentaries to:

Kathy Riggs  
Tennessee Real Estate Commission  
500 James Robertson Parkway  
Suite 180  
Nashville, TN 37243  
[kathy.riggs@state.tn.us](mailto:kathy.riggs@state.tn.us)

"The Tennessee Department of Commerce and Insurance is committed to principles of equal opportunity, equal access, and affirmative action." Contact the EEO Coordinator or ADA Coordinator (615) 741-1328, for TDD (615) 741-6276



Tennessee Department of Commerce and Insurance.  
Authorization No. 335101, 50,000 copies. This public document  
was promulgated at a cost of \$.21 per copy. (Rev. 08/06)

## **TREC Contact Information**

(615) 741-2273 or (800) 342-4031

[www.state.tn.us/commerce/boards/trec](http://www.state.tn.us/commerce/boards/trec)

### **Personnel & Areas of Responsibility**

#### **Administration:**

Donna Hancock  
Sharon Peebles

#### **Administrative Assistance**

Betsy Bowman

#### **Office Manager:**

Dennis Hodges

#### **Board Meetings:**

Sue Kerley

#### **Complaints:**

Conell House

#### **Education:**

Kathy Riggs

#### **Licensing:**

Patricia Appleton  
Hester Curtis  
Kim Dorris  
Gil Dyer  
Rachel Fowler  
Dorris O'Brien  
Willette Page  
Karen Patton  
Richard Thomas  
Paula VanBuren

#### **Reception & Filing:**

Deborah Malugen  
Linda Wolfert

Errors & Omissions Insurance  
Contractor for 2005-2006

#### **Rice Insurance Services Company, LLC**

Phone: (888) 248-2444  
Fax: (502) 897-7174  
Web: [www.risceo.com](http://www.risceo.com)

## **Department of Commerce and Insurance**

## **Tennessee Real Estate Commission News-Journal**

**Is published quarterly by the  
Tennessee Real Estate Commission**

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**Presorted Standard**

**U.S. Postage**

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